

COUNTY OF YORK

MEMORANDUM

DATE: September 6, 2001

TO: Mr. James E Barnett, Jr., County Attorney

FROM: Mr. Robert L. Peters II, Chief, Engineering and Facility Maintenance

SUBJECT: Review of New Virginia Power Contract

General Services has reviewed the proposed new electric service agreement and rates recently negotiated by Dominion Virginia Power and the Virginia Municipal League and the Virginia Association of Counties (VML/VACo). The proposed energy rates under the new agreement reflect a small decrease due to changes in Virginia tax law, effective January 1, 2001. The amount of the decrease is approximately 1.0% to 1.5% for rate schedules applicable to County facilities and utility systems. This reduction could result in an annual saving of approximately \$6,000 based on last year's consumption; however, consumption and fuel charges, a smaller but significant portion of the service charge, remain variable and could easily eliminate any anticipated savings. Therefore, the overall budgetary impact of the new agreement is negligible.

As you know, Dominion Virginia Power has requested the County return signed agreements by October 8, 2001. Request your assistance in further review of the agreement so as to seek approval by that time.

Thank you for your assistance in this matter.

RLP/3833/rlp

Attachments

Copy to: Ms. Mary Ann Kirish, Chief, Budget and Financial Reporting